

Floodplain Management: Floodplain Development Fee



Description

In 2000, an Infrastructure Financing Study was undertaken by the City of Lincoln to determine the impacts, capital costs, and financing alternatives for the provision of municipal utilities and other services to urban growth areas. A citizen Advisory Committee was appointed to assist the study team in the development of the study and to generate recommendations regarding financing alternatives.

The Committee's January 2001 Final Report included the following recommendation regarding floodplain development:

“Committee recommends in the future that, for those projects in the floodplain, an additional tax or special benefit district be created relating to the costs of the floodplain impact.” *(This proposed ‘fee’ was listed separately from, and in addition to, a recommendation for a city-wide stormwater utility service fee, for which enabling legislation is currently being pursued at the state level).*

It is important that the question regarding the need for a floodplain development fee be considered together with other floodplain policies currently being evaluated by the Mayor's Floodplain Task Force.

Advantages

- ★ Cost of impact to floodplain borne by those responsible for impact
- ★ Has the potential to deter development in the floodplain

Disadvantages

- ☹ Difficult to determine fee that would reflect actual costs of an individual development's impact.
- ☹ Potentially difficult to administer depending on the number of variables included
- ☹ Appear to be few communities with similar fees to use as a model

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Implementation Considerations

- Possibilities for basis of fee could include # cubic feet of flood storage lost, and/or number of square feet of disturbed riparian or stream buffer vegetation
- Could take into account impact to flood storage/conveyance attributes as well as natural/beneficial functions of floodplains
- May not be needed if floodplain resources are largely protected through new ordinances

Example Communities

- ?? No *specific* examples of a floodplain development fee have been identified to date
- **Tallahassee, FL Environmental Impact Fees**
 - ⇒ If a development includes land containing on or more of the conservation areas listed by Tallahassee, the applicant must propose measures to mitigate the adverse impacts of development on such areas
 - ⇒ Environmental permit fees for individual residential building sites:
Short Form B - Low: \$510 for 1st 5,000 SF of disturbed area + \$0.01/SF > 5,000 SF
Short Form B -High: \$895 for 1st 5,000 SF of impervious area + \$0.025 > 5,000 SF
 - ⇒ Environmental permit fees for larger development sites:
\$1,170 for 1st 5,000 SF of impervious area + \$0.04/SF > 5,000 SF & < 50,000 SF + a fee of \$0.04/SF for 50,000 SF & above.

References

- January 2001 Infrastructure Financing Study Advisory Committee Final Report, October 2001 Task Force Meeting Materials
- City of Tallahassee - Growth Management - Land Use and Environmental Services website and Environmental Management Ordinance (EMO), <http://talgov.com/citytlh/growth/luesdesc.html>